



BellSouth Telecommunications, Inc. 615 214-6520
Suite 2104 Fax 615 214-8858
333 Commerce Street
Nashville, Tennessee 37201-3300

Charles L. Howorth, Jr.
Regulatory Vice President

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January 10, 2000

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37245

Re: *Tariff Filing of BellSouth Telecommunications, Inc. to Add Language
to the N11 Tariff*
Docket No. 99-00596

Dear Mr. Waddell:

Please accept this letter in response to your letter of December 21, 1999, asking BellSouth to describe the technical differences between providing billing and collection services to a BellSouth customer and providing billing and collection services to a CLEC for resale. Although we conveyed our desire to more fully understand the concerns the inquiry is intended to address, we are responding to the letter as understood by us per your request. In addition to addressing your specific inquiry, therefore, we will also address the controlling issues in this docket.

Billing and collection services are not provided to N11 subscribers pursuant to the Abbreviated Dialing Tariff (General Subscribers Services Tariff §A39.1). Instead, the Abbreviated Dialing Tariff expressly states:

If the Company provides billing on behalf of the subscriber, the rules and regulations for Billing and Collection Services as defined in the amended Section A37 of this tariff, as well as the rules and regulations as defined in this Tariff Section will apply.

GSST §A39.1.1.F. Additionally, the Abbreviated Dialing Tariff expressly states:

If the Company provides billing, charges for using the Billing and Collections Services as stated in the amended Section A37 of this Tariff will apply.

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GSST §A39.1.6 (emphasis added). Billing and collection services, therefore, are not part and parcel of the services a subscriber receives when ordering N11 service under the A.39 section of the Tariff. Instead, an N11 subscriber desiring billing and collection services must order these services separately, pursuant to the rates, rules, and regulations set forth in Section A.37 of the Tariff ("Bill Processing Service").

BellSouth is not required to offer these separate and distinct billing and collection services described in Section A.37 of the Tariff for resale. BellSouth's resale duties arise from section 251 of the Telecommunications Act of 1996 which provides in pertinent part, that a local exchange carrier has "the duty not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of its telecommunications services." 47 U.S.C. §251(b)(1). The term "telecommunications service" means "the offering of telecommunications for a fee directly to the public," *id.*, §153(46), and the term "telecommunications" means "the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received." Clearly, the billing and collection services addressed in Section A.37 of the tariff are not telecommunications services which must be resold, because they do not involve the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

Thus, the existence or non-existence of technical differences between providing billing and collection services to a BellSouth customer and providing billing and collection service to a CLEC has no bearing on whether BellSouth is required to offer billing and collection services for resale. Billing and collection services simply are not telecommunications services. As a matter of law, therefore, BellSouth is not required to offer billing and collection services for resale.

Having said that, there are some important distinctions to keep in mind when considering N11 bill processing services. When BellSouth bills existing BellSouth customers on behalf of an N11 subscriber, it is relying on its existing billing relationship with those existing customers. In other words, BellSouth already has billing name and address information for these customers, it already maintains

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account information data on these customers in its billing system, and it already generates monthly invoices which it mails to these customers. In billing these customers on behalf of the N11 subscriber, BellSouth is simply adding rated charges submitted by the N11 subscriber to the invoices BellSouth already sends to these customers.

If any person or entity who is not a BellSouth customer places a call to the N11 subscriber, however, BellSouth cannot bill that person or entity on behalf of the N11 subscriber because BellSouth does not have a billing relationship with that person or entity. It does not have billing name and address information for that person or entity, it does not maintain account information data on that person or entity in its billing system, and it does not generate monthly invoices to that person or entity to which rated charges could be added. For these reasons, the A.37 Tariff provides that:

This Section of this Tariff covers the provision of Bill Processing Service to enhanced and information service providers (customers). Bill Processing Service allows a customer or its agent to send rated charges to the Company to be printed on the end user's telephone bill. In order for the Company to bill for these services, the end user must be a subscriber of the Company who receives a monthly telephone bill.

GSST §A37.1.1.

We trust that this letter adequately explains why BellSouth is not required to offer billing and collections services for resale. If not, or more information/explanation is needed, our offer to meet and discuss your concerns in depth remains open.

Sincerely,



Charles L. Howorth, Jr.